

# CMS Manual System

Department of Health &  
Human Services (DHHS)

## Pub 100-04 Medicare Claims Processing

Centers for Medicare &  
Medicaid Services (CMS)

Transmittal 686

Date: SEPTEMBER 23,  
2005

### Change Request 3916

**SUBJECT: Common Working File (CWF) Unsolicited Response Adjustments for Certain Claims Denied Due to an Open Medicare Secondary Payer (MSP) Group Health Plan (GHP) Record Where the GHP Record was Subsequently Deleted**

*NOTE: Transmittal 624, dated July 29, 2004 is rescinded and replaced with Transmittal 686, dated September 23, 2005. There is a change on the implementation date. The VMS Shared System and DMERCs shall begin implementation of CR 3916 during the January 2006 Release time period and complete implementation on April 3, 2006. The implementation date shall remain January 3, 2006, for all other contractors and maintainers. However, the effective date is changed to January 1, 2006. All other information remains the same.*

**I. SUMMARY OF CHANGES:** The Coordination of Benefits Contractor (COBC) deletes invalid group health plan (GHP) records from the CWF. This CR implements systems changes to automatically locate and reprocess claims which were previously billed to Medicare as the primary payer and denied based upon the MSP GHP record which has just been deleted. This automated process will apply to MSP GHP based denials where the denial occurred within 365 calendar days of the deletion of the invalid CWF MSP GHP record.

NEW/REVISED MATERIAL :

**Effective Date\*:** *January 1, 2006*

**Implementation Date:** **January 3, 2006**

*For the VMS Shared System and DMERCs:*

*Effective Date: April 1, 2006*

*Implementation Date: April 3, 2006*

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the*

*new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated)

R = REVISED, N = NEW, D = DELETED – *Only One Per Row.*

R/N/D	Chapter / Section / Subsection / Title
R	1/130.6/Table of Contents
N	1/130.6/Adjustments to Reprocess Certain Claims Denied Due to an Open Common Working File (CWF) Medicare Secondary Payer (MSP) Group Health Plan (GHP) Record Where the GHP Record Was Subsequently Deleted

**III. FUNDING:**

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2006 operating budgets.

**IV. ATTACHMENTS:**

Business Requirements

Manual Instruction

*\*Unless otherwise specified, the effective date is the date of service.*

# Attachment - Business Requirements

Pub. 100-04	Transmittal: 686	Date: September 23, 2005	Change Request 3916
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## I. GENERAL INFORMATION

**A. Background:** Effective January, 3, 2006, the CWF will implement an unsolicited response to reprocess certain claims denied due to an open CWF MSP GHP record where the GHP record was subsequently determined to be invalid by the Coordination of Benefits Contractor (COBC) and deleted by COBC. The COBC identifies and deletes invalid MSP records in the CWF. Upon deletion of an invalid MSP GHP (MSP Codes 12, 13, 43) record the CWF will search the claims history for the period during the 365 calendar days preceding the deletion of the CWF record in order to locate any claims billed to Medicare as primary and denied on the basis of the subsequently deleted CWF MSP GHP record. The CWF will generate an unsolicited response with a trailer containing the identifying information regarding any such claims found. The unsolicited response will have all the necessary information to identify the claim(s), including the Document Control Number/Internal Control Number, Health Insurance Claim number, beneficiary name, and date(s) of service. The CWF will electronically transmit this unsolicited response to the claims processing contractor(s) that originally processed the claim(s). The previously denied claim(s) will not be canceled and will remain on the CWF claims history, pending subsequent adjustment.

Upon receipt of the unsolicited response, the shared system software will read the claim information in the new trailer for each claim and perform an automated adjustment to each claim. The claim(s) must be adjusted for all non-reimbursed/claim denials that were based upon the MSP GHP record that was just deleted. The shared systems will hold the adjusted claims for 5 business days to allow the COBC to make additional corrections to the MSP files in the CWF. After a 5 business day hold, the shared systems will release the adjustments. The adjustments shall be subject to all applicable edits as the original claim(s) and sent to the CWF, so that the claim(s) on the CWF history are replaced with the adjusted claim(s) records.

**B. Policy: N/A**

## II. BUSINESS REQUIREMENTS

*"Shall" denotes a mandatory requirement*  
*"Should" denotes an optional requirement*

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
3916.1	Upon deletion of any of the following types of MSP records; (12) Working Aged, (13) ESRD, (43) Disability in the CWF, the CWF shall search the claims history for the period during the 365 calendar days preceding the deletion of the CWF record in order to locate any claims billed to Medicare as primary and denied on the basis of the subsequently deleted CWF MSP GHP record.							X		
3916.2	When the CWF identifies claim(s) matching the criteria in requirement 3916.1 above, the CWF shall generate an unsolicited response to the claims processing contractor(s) that processed the claim(s) identified by the CWF.							X		
3916.3	The unsolicited response will have all the necessary information to identify the claim, including the Document Control Number/Internal Control Number, Health Insurance Claim number, beneficiary name, and date(s) of service.							X		
3916.4	Upon receipt of the unsolicited response, the shared system software shall read the claim information in the new trailer for each claim and shall perform an automated adjustment to each claim.					X	X	X		
3916.5	The claim(s) shall be adjusted for all non-reimbursed/claim denials that were based upon the MSP GHP record that was just deleted.					X	X	X		
3916.6	The adjusted claim(s) shall be held for 5 business days. After the 5 business day hold, the adjusted claim(s) shall be released and returned to the CWF, so that the claim(s) on the					X	X	X		

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
F I S S	M C S					V M S	C W F			
	CWF history is replaced with the adjusted record.									
3916.7	Each claims processing contractor shall create the appropriate Medicare Summary Notice and Remittance Advice notice for each claim adjusted.	X	X	X	X					

### III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
F I S S	M C S					V M S	C W F			
	None									

### IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

#### A. Other Instructions: N/A

X-Ref Requirement #	Instructions

#### B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

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**C. Interfaces:** N/A

**D. Contractor Financial Reporting /Workload Impact:** N/A

**E. Dependencies:** N/A

**F. Testing Considerations:** N/A

**V. SCHEDULE, CONTACTS, AND FUNDING**

<p><b>Effective Date*:</b> <i>January 1, 2006</i></p> <p><b>Implementation Date:</b> January 3, 2006</p> <p><i>For the VMS Shared System and DMERCs:</i>  <b>Effective Date:</b> <i>April 1, 2006</i>  <b>Implementation Date:</b> <i>April 3, 2006</i></p> <p><b>Pre-Implementation Contact(s): (Claims-Specific  Wendy Tucker (410)786-3004) (MSP Policy-  Olivia Williams (410)786-6565) (Beneficiary  Services - Nancy Conn (410)786-8374)</b></p> <p><b>Post-Implementation Contact(s): (Claims-  Specific-Wendy Tucker (410)786-3004) (MSP  Policy-Olivia Williams (410)786-6565)  (Beneficiary Services - Nancy Conn (410)786-  8374)</b></p>	<p>No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2006 operating budgets.</p>
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# Medicare Claims Processing Manual

## Chapter 1 - General Billing Requirements

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*(Rev. 686, 09-23-05)*

*130.6 - Adjustments to Reprocess Certain Claims Denied Due to an Open Common Working File (CWF) Medicare Secondary Payer (MSP) Group Health Plan (GHP) Record Where the GHP Record Was Subsequently Deleted*

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***(Rev. 686, Issued: 09-23-05; Effective: 01-01-06; Implementation: 01-03-06)***

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